

LEASE AGREEMENT

This Lease Agreement (“Lease”) is made and entered by and between the **CITY OF MARSHALLTOWN, IOWA** (“LANDLORD”), an Iowa municipal corporation, and **JOSE RAMON REGALADO** (“TENANT”), as of the date of last signature set forth below (“Effective Date”).

RECITALS

WHEREAS, LANDLORD acquired from TENANT title to the real property (“Property”) situated in the City of Marshalltown, Marshall County, Iowa, locally known as 23 W. Main Street, Marshalltown, Iowa 50158, Parcel No. 8418-26-381-009, and legally described as follows:

THE WEST ONE-THIRD OF LOT 9, BLOCK 9, IN THE ORIGINAL
TOWN OF MARSHALL, MARSHALL COUNTY, IOWA, and

WHEREAS, consideration for the Purchase Agreement between LANDLORD and TENANT included TENANT’S continued possession of the Property pursuant to the terms and conditions set forth in this Agreement, attached thereto as “Exhibit A,” and incorporated therein.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, LANDLORD and TENANT agree as follows:

1. **PREMISES.** LANDLORD, in consideration of the agreements and conditions herein contained, leases to TENANT and TENANT leases from LANDLORD, according to the terms and conditions of this Agreement, non-exclusive use and possession of the Property’s ground level (“Premises”) for the sole and limited purpose of storing restaurant equipment and other personal property belonging to TENANT (“Personal Property”). LANDLORD shall retain access to and use of the Property, including the Premises, for purposes of facilitating renovations to the Property, including but not limited to renovation of the Property’s façade in connection with the City of Marshalltown’s Downtown Revitalization Project associated with Iowa Economic Development Authority Community Development Block Grant (CDBG) Program Contract 21-DTR-004, and for any further purpose not inconsistent with TENANT’S non-exclusive use and possession of the Premises. TENANT agrees to cooperate with LANDLORD in all respects relative to LANDLORD’S efforts to renovate the Property, including but not limited to relocating TENANT’S Personal Property within the Premises as deemed necessary by LANDLORD in its discretion.

2. **TERM; TERMINATION.** This Lease shall expire at midnight on August 31, 2024, unless renewed by LANDLORD and TENANT in writing for such term and pursuant to such conditions upon which LANDLORD and TENANT may agree, provided LANDLORD may, in its discretion, to terminate this Lease earlier upon providing TENANT thirty (30) days’ written notice that renovations to the Property’s façade in connection with the City of

Marshalltown's Downtown Revitalization Project associated with Iowa Economic Development Authority Community Development Block Grant (CDBG) Program Contract 21-DTR-004 have been completed. TENANT may terminate this Lease at any time upon providing LANDLORD written notice that TENANT has removed from the Premises all TENANT'S Personal Property. TENANT agrees upon termination to surrender and deliver sole possession of the Premises to LANDLORD.

3. **RENT.** LANDLORD and TENANT have entered into this Lease in partial consideration of LANDLORD'S purchase of the Property from TENANT pursuant a separate Purchase Agreement; no rent or other monetary payment shall be required during the term of this Lease.

4. **SECURITY DEPOSIT.** No security deposit shall be required.

5. **POSSESSION.** TENANT shall be entitled to non-exclusive possession on the first day of the term of this Lease and shall yield possession to LANDLORD at the end of the lease term, except as herein otherwise expressly provided.

6. **CONDITION OF PREMISES.** TENANT takes the Premises in its present condition except as otherwise provided in this Lease.

7. **USE OF PREMESIS.** TENANT shall use the Premises for the sole and limited purpose of storing TENANT'S Personal Property.

8. **PARKING.** Except when loading or unloading Personal Property stored upon the Premises, TENANT shall not park any vehicle upon the Property.

9. **SECURITY.** LANDLORD shall have no obligation or responsibility to provide security services to the Premises and shall bear no responsibility for the damage, loss, or theft of TENANT'S Personal Property.

10. **UTILITIES.** TENANT shall provide natural gas and electricity to the Premises and shall be solely responsible for and promptly pay all charges, including any deposits required, relative to the provision of the same.

11. **TAXES.** LANDLORD shall be solely responsible for and promptly pay any real estate taxes or special assessments attributed to the Property during the term of this Lease.

12. **INSURANCE.**

(a) **PROPERTY INSURANCE.** LANDLORD shall insure the Property for the full insurable value thereof. Such insurance shall cover losses included in the special form causes of loss (formerly all risks coverage). TENANT shall be responsible, at TENANT'S expense, for insuring TENANT'S Personal Property as TENANT deems appropriate.

- (b) **COMMERCIAL GENERAL LIABILITY INSURANCE.** LANDLORD shall maintain commercial general liability insurance to cover the Property. Such policy shall include liability arising from Property operations, independent contractors, personal injury, and liability assumed under an insured contract.
- (c) **ACTS BY TENANT.** TENANT shall not do or omit doing any act which would invalidate any insurance or increase the insurance rates in force on the Property.
- (d) **INCREASED RISKS OR HAZARDS.** TENANT further agrees to be liable for and to promptly pay any increase in insurance rates on the Property due to increased risks or hazards resulting from TENANT'S use of the Premises otherwise than as herein contemplated and agreed.

13. **ASSIGNMENT; SUBLETTING.** TENANT shall not sublet the Premises but may assign this Lease with LANDLORD'S prior written consent.

14. **ATTORNTMENT.** TENANT shall attorn and be bound to any of LANDLORD'S successors under all the terms, covenants, and conditions of this Lease for the balance of the remaining term, and TENANT shall execute any reasonable written agreements in furtherance thereof as shall be required by LANDLORD.

15. **LIABILITY FOR DAMAGE.** Neither LANDLORD nor TENANT shall permit nor allow the Premises to be damaged or depreciated in value by any act, omission to act, or negligence of itself, its agents, or its employees. Further, LANDLORD and TENANT shall be liable to the other for all damage to the property of the other negligently, recklessly, or intentionally caused by that party (or its agents, employees or invitees), except to the extent the loss is insured and subrogation is waived under the owner's policy.

16. **INDEMNITY.** Except for the gross negligence of LANDLORD, TENANT shall protect, defend, and indemnify LANDLORD from and against all loss, costs, damage, and expenses (including court costs and reasonable attorney fees) occasioned by or arising out of any accident or other occurrence causing or inflicting injury or damage to any person or property, happening or done in, upon, or about the Premises or due directly or indirectly to the tenancy, use, or occupancy thereof, or any part thereof, by TENANT or any person claiming through or under TENANT.

17. **DESTRUCTION.** In the event of partial or complete destruction of or damage to the Property such that TENANT is unable to utilize the Premises as contemplated under this Lease, this Lease may be terminated at the option of either LANDLORD or TENANT. Termination in such event shall be effected by written notice of one party to the other, within twenty (20) days after such destruction. TENANT shall surrender possession within ten (10) days after such notice issues and each party shall be released from all future obligations under the Lease.

18. **DEFAULT.**

- (a) **EVENTS OF DEFAULT.** Each of the following shall constitute an event of default by TENANT:
1. Failure to observe or perform any duties, obligations, agreements, or conditions imposed on TENANT pursuant to terms of the Lease; and
 2. Abandonment of the Premises. "Abandonment" means TENANT has failed to utilize the Premises as contemplated under this Lease for more than fifteen (15) consecutive business days.
- (b) **NOTICE OF DEFAULT.** LANDLORD shall give TENANT written notice specifying the default and giving TENANT ten (10) days in which to correct the default. If there is a default (other than for nonpayment of a monetary obligation of TENANT that cannot be remedied in ten (10) days by diligent efforts of TENANT, TENANT shall propose an additional period of time in which to remedy the default. Consent to additional time shall not be unreasonably withheld by LANDLORD. LANDLORD shall not be required to give TENANT any more than three (3) notices for the same default within any 365-day period.
- (c) **REMEDY OF DEFAULT.** In the event TENANT has not remedied a default in a timely manner following a Notice of Default, LANDLORD may proceed with all available remedies at law or in equity, including, but not limited to, the following:
1. Termination. LANDLORD may declare this Lease to be terminated and shall give TENANT a written notice of such termination. In the event of termination of this Lease, LANDLORD shall be entitled to prove its claim and obtain judgment against TENANT, plus all expenses of LANDLORD in regaining possession of the Premises including court costs and reasonable attorneys' fees.
 2. Forfeiture. If a default is not remedied in a timely manner, LANDLORD may declare this Lease forfeited; in which event LANDLORD shall give TENANT written notice of such forfeiture, and may, at the time, issue TENANT notice to quit as provided by law.

19. **LIENS.** Neither TENANT nor anyone claiming by, through or under TENANT shall have the right to file or place any mechanic's liens, or other lien of any kind or character whatsoever, upon the Property.

20. **RIGHTS CUMULATIVE.** The various rights, powers, options, elections, and remedies of either party, provided in this Lease, shall be construed as cumulative and no one of them as exclusive of the others, or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of either party to pursue any other

26. **COUNTERPARTS.** This Lease shall be executed in two (2) counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument, even though all parties are not signatories to the original or the same counterpart. Furthermore, the parties may execute and deliver this Lease by electronic means such as .pdf or a similar format. LANDLORD and TENANT agree that the delivery of the Lease by electronic means shall have the same force and effect as delivery of original signatures and that each of the parties may use such electronic signatures as evidence of the execution and delivery of the Lease by all parties to the same extent as an original signature.

27. **EXECUTION.** When and if executed by both LANDLORD and TENANT, this Agreement shall become a binding contract.

LANDLORD

CITY OF MARSHALLTOWN, IOWA,
an Iowa municipal corporation

Dated this _____ day of September 2022

By: _____
Joel T.S. Greer, Mayor

Attest:

Alicia Hunter, City Clerk

TENANT

JOSE RAMON REGALADO

Dated this _____ day of September 2022

Jose Ramon Regalado

